

EXHIBIT “O”

VILLAGE OF CHESTER
ESCROW AGREEMENT
FOR
BT HOLDINGS LITIGATION

THIS ESCROW AGREEMENT, made this 15 day of June, 2012, by and between the Village of Chester, a New York municipal corporation with an office at Village Hall, 47 Main Street, Chester, New York 10918 ("Village"), and BT Holdings, LLC, whose address is c/o Bernard Nussbaum, Wachtell Lipton Rosen & Katz, 51 West 52nd Street, New York, New York 10019 ("BT Holdings"):

WHEREAS, the Village, on May 14, 2012, authorized the commencement of an action against the Town of Chester (the "Town") challenging the May 9, 2012 determination of the Town that the BT Holdings annexation is not in the overall public interest (the "Litigation"); and

WHEREAS, in consideration of the commencement, and prosecution of, the Litigation, and in order to preserve and conserve Village resources and tax payer revenues, BT Holdings has agreed to indemnify and hold the Village harmless from all costs, fees and expenses, including, but not limited to, the Village's attorney's and expert's fees, related to, and associated with, the Litigation,

NOW THEREFORE, in consideration of mutual covenants herein contained, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. BT Holdings shall immediately pay to the Village the sum of \$10,000 to be held, by the Village, in an escrow account (the "Escrow Account").
2. BT Holdings authorizes the professional staff of the Village of Chester, including, but not limited to, the Village's Attorneys and outside consultants to undertake all reasonable and necessary activities in connection with the litigation.
3. The Village shall withdraw funds from the Escrow Account for the payment of all invoices or statements for services submitted by any professional, or other authority, who shall have provided any service for, or in connection with, the Litigation.

4. If the Escrow Deposit shall be reduced to twenty percent (20%) of its original amount, or if additional funds are deemed to be required by the Village, the Village Treasurer and/or Village Clerk shall notify BT Holdings, in writing, that additional funds must be deposited in the Escrow Account in an amount to be determined by the Village Treasurer, but in no event to exceed one hundred percent (100%) of the original escrow deposit. BT Holdings shall make payment of the amount so specified within fifteen (15) days of receipt of the request for additional funds. The Village may accept and deposit any amount paid by BT Holdings without waiving the right to demand and receive the balance owed. In the event that BT Holdings fails to replenish the Escrow Account as specified in any notice requiring the same, the Village reserves the right to take any action it deems appropriate.

5. Any notices required by this agreement shall be sent as follows:

to: BT Holdings
c/o Bernard Nussbaum,
Wachtell Lipton Rosen & Katz
51 West 52nd Street
New York, New York 10019

with copy to: Larry Wolinsky, Esq.
Jacobowitz & Gubits
158 Orange Avenue
Post Office Box 367
Walden, New York 12586

to: Village of Chester
47 Main Street
Chester, New York 10918

with copy to: Ian L. Schlanger, Esq.
Norton & Christensen
60 Erie Street
Post Office Box 308
Goshen, New York 10924

6. Copies of vouchers submitted against the Escrow Account shall be sent, upon request, to BT Holdings upon reasonable notice to the Village.

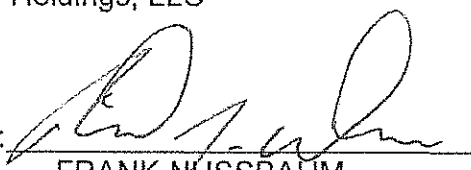
7. In the event of any proceeding or action by the Village to enforce the terms of this agreement or for money damages, in addition to what other relief the Village may receive, the Village will also be entitled to a judgment for the costs, fees and expenses, including reasonable attorneys' fees, of such action or proceeding.

IN WITNESS WHEREOF, the parties hereto have set there hands and seals on the date set forth above.

Village of Chester

By: PHILIP VALASTRO, MAYOR

BT Holdings, LLC

By: 
FRANK NUSSBAUM